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EDUCATION



Prairie Publications



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CD-ROM Project Team Formed

As we have announced, Bank of North Dakota (BND) is about to begin the development of a CD-ROM designed to promote North Dakota colleges, along with information on financial aid, College SAVE, and debt management. There will be no charge to schools.

Information has been sent to North Dakota college presidents, public affairs directors, and financial aid and admissions administrators explaining the CD-ROM project and what the schools will be asked to provide to KAT Productions, Inc., designer of the CD-ROM.

Student Loans of North Dakota (SLND) has formed a CD-ROM Project Team to work closely with KAT Productions, Inc. The team members include: Julie Kubisiak - Executive Sponsor; Linda Albery, Tammy Carlson, Shirley Glass, Kim Miller, Char Feist, and Holly Schirado - SLND; Jim Kaiser - BND; and Candace Muggerud - KAT Productions, Inc.

If you have any questions regarding this project, please feel free to e-mail us at bndsl@state.nd.us or call 1-800-554-2717 for Tammy at ext. 5653 or Linda at ext. 5882.

*Linda Albery, Coordinator
College Information Service*

Consolidating Student Loans Q and Aís

Question: With student loan interest rates anticipated to drop significantly on July 1, should students apply for a Consolidation loan immediately after that date?

Answer: We are anticipating student loan interest rates to drop significantly on July 1. As a result, you would think this would be a great time for students to consolidate their loans. Well, maybe yes or maybe no!

Last year, rates dropped around 2% from the previous year and we experienced a huge volume of Consolidation loans. What if these borrowers had sat back, enjoyed the lower rate on their original loans for the year, and waited to see what happened the following year before locking in on a Consolidation loan? You guessed it...a lower rate!

With rates dropping again, we would recommend that students “ride-the-tide” until next June when rates for the following year are announced. If rates then are going up, it would make sense to pursue a Consolidation loan.

Question: Does it makes sense for students to consolidate during grace status?

Answer: At SLND, we do feel this is an issue for students to investigate while in grace status. Loans in grace status enjoy a 60 basis point (.6%) interest discount versus loans in repayment. While consolidating during grace status helps borrowers achieve a better interest rate; borrowers waive the benefit of having their interest paid by the government on their Stafford subsidized loans in order to consolidate, and the loan also enters repayment immediately. We recommend that students start their investigation of the consolidation process a couple months before their grace period expires.

Question: How long does it take to process a Consolidation loan?

Answer: Each lender has a different standard for processing Consolidation loans. As a general rule, it takes approximately 60 days to complete the process.

At SLND we conduct Consolidation loan counseling to assist borrowers in determining if a Consolidation loan is right for them. Please direct inquiries to 1-800-472-2166 ext. 5660 for assistance.

*Wally Erhardt, Assoc. Director of Operations
SLND-Guarantor*

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Available online at mystudentloanonline.com

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By Student Loans of North Dakota is a newsletter circulated to lenders, college financial aid and admissions personnel, high school guidance counselors, other guaranty agencies, and individuals needing information about student loans. *All articles are of the writer's opinion and should not be construed as Student Loans of North Dakota policy unless so stated.*

NDASFAA Update

Here it is...mid-May...as I look out my window to see trees that look the same as they did in January. I think Williston is mixed up this year and somehow thinks it is located in northern Canada. But, I have packaging to remind me it is almost the end of May.

I'm happy to let you know that Kristie Holler, Chair of the Diversity and Multi-Cultural Initiative Committee, along with her committee, have approved Tammy Klein of United Tribes Technical College to receive the leadership training funds to attend the RNASFAA Summer Institute. Congratulations to Tammy!

Just a couple of notes on upcoming training:

The NASFAA Annual Conference is being held in New Orleans, LA, July 21-24, 2002. Of course, all of their registration information is available on their Web site at www.nasfaa.org.

The Department of Education's training "*Tools for Ensuring Program Integrity*" is being held on the NDSU campus in Fargo, July 16-17. I was just out on the SFA University Web site to register and I see they have it set up for 48 available seats, so register soon. You can reach the registration site by going to <http://sfa4schools.sfa.ed.gov> and click on SFA University under "Conferences/Training". You will have to sign up for a password and such (if you haven't already).

I'm hoping everyone is having good luck in getting summer awards and fall awards ready to go. Everyone have a great June!

*Lynn Aaberg, President
NDASFAA*

Change in Student Loan Interest Deduction

Several years ago, approval was given to allow borrowers to deduct interest paid on their student loans when filing their federal income tax returns. Unfortunately, this also included a stipulation that only the interest paid in the first 60 months of repayment was eligible as a deduction.

Recently, this 60-month stipulation has been eliminated and we are happy to announce that all interest paid by borrowers will be eligible for deduction. This includes interest paid on loans even when payments are not required. These changes are applicable for tax years beginning in 2002.

As a practice, SLND directs students to contact a tax preparer to determine exactly how these benefits would apply for their individual situation.

*Wally Erhardt, Assoc. Director of Operations
SLND-Guarantor*

SLND “All Star” of the Month

Paul Yanez was chosen as SLND’s “All Star” of the Month for May.

Paul was hired in April 2001 as a Collection Officer for SLND in the Loan Servicing area.

Paul’s friendly, professional dedication comes through loud and clear in the sometimes stressful customer service area. There isn’t a day that goes by that Paul’s smile isn’t given to his co-workers!



Congratulations!

Upcoming Events

NDBA/SDBA Annual Convention - June 9-11 - Ramada Plaza Suites - Fargo, ND

NCHELP Summer Institute 2002 - July 14-17 - Buffalo, NY

DOE “Tools for Ensuring Program Integrity” Training - July 16-17 - NDSU, Fargo, ND

NASFAA Annual Conference - July 21-24 - New Orleans, LA

HECN Highlights

As you all know by now, Paula, Charles and myself have moved full-time to the ERP Project, called ConnectND. You may have read Charles’ article last month which mentioned there would be a process in place to give you support during the duration of this project. Those processes have been decided and put into place. Although we realize this is a new way of doing things and that change is difficult at times, we believe you will find your questions and problems addressed in a timely manner.

We continue to ask for your patience, help, and encouragement during this time. As always, if you have any questions, please give us a call at 701-777-3936 or e-mail us:

Charles_fjeld@mail.und.nodak.edu

Paula_Kurtz@mail.und.nodak.edu

Tricia_Campbell@mail.und.nodak.edu

On the following page, you will find the new process of getting assistance with your questions.

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Problem resolution methods listed in the order we encourage you to use them:

A. Utilize Methods Already in Place:

1. Use any manuals, training documents, or HECN updates that you have received in the past from HECN.
2. Access the User Documentation system at:
www.rdb.und.nodak.edu/www_hecndoc_pub/hpub_main to research tran ids, jobs, character fields, parameter card information, error codes, and narrative information.
3. Access the FAQ link associated with the Help Desk (this is being developed).
4. Access the Remedy system keyword search option (for those of you who have the Remedy Software System available to you).

B. Help Each Other:

1. Use the various state listservs to ask a question or to offer a suggestion:
 - Admission Listserv - NDADMSM@LISTSERV.NODAK.EDU
 - Registrar Listserv - NDREGSTR@LISTSERV.NODAK.EDU
 - Financial Aid Listserv - NDFINAID@LISTSERV.NODAK.EDU

If someone should be added to or deleted from these listservs, please let us know.

C. Contact the Help Center(s):

1. Check with your individual institution's help desk.
2. Contact by phone or e-mail.
3. Create a remedy ticket on the web.

You can reach the UND Help Desk at cc_helpdesk@mail.und.nodak.edu or at 701-777-2222.

Please supply the following information when you submit a remedy ticket or if you contact the Help Desk with a question or a problem.

1. Your Name, School, Phone Number, and E-mail Address
2. Identify if it is a question or problem
3. A detailed description of the question or problem, including (if appropriate):
 - Job Name
 - Report Name
 - Tran ID
 - Word for word error message
 - Return code

Thanks for your assistance!

*Tricia Campbell, Business Analyst
NDUS, HECN-SIS, Grand Forks, ND*